UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

In re	
	Case No. 21-44887
SILVERSIDE SENIOR LIVING,	
LLC, et al., ¹	Chapter 11
	Hon. Lisa S. Gretchko
Debtors.	Jointly Administered
	/

DEBTORS' RESPONSE AND OBJECTION TO APPLICATION OF GORDON FOOD SERVICE INC. FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE PRIORITY CLAIM

Silverside Senior Living, LLC, and Graceway South Haven, LLC, Debtors and Debtors in Possession in the above captioned jointly administered cases ("Silverside" or "Debtors"), by and through their attorneys, Strobl Sharp PLLC, hereby respond and object to the Application of Gordon Food Service Inc. for Allowance and Payment of Administrative Priority Claim [Docket No. 108], and state as follows:

1. On October 7, 2021, Gordon Food Service Inc. ("GFS") filed an application for allowance and payment of administrative priority claim.

¹ The debtors in these jointly administered proceedings along with the last four digits of their respective federal tax id numbers are Silverside Senior Living, LLC (2357) [Case No. 21-44887-lsg] and Graceway South Haven, LLC (9393) [Case No. 21-44888-lsg].

- 2. GFS seeks relief under Section 503(b)(9) of the Bankruptcy Code for administrative expense status for goods delivered to the Debtor during the 20 days prior to the petition date.
- 3. The Debtors filed their voluntary petitions for relief under Subchapter V of Chapter 11 on June 7, 2021 (the "Petition Date").
 - 4. Twenty days prior to the Petition Date was May 18, 2021.
- 5. On May 25, 2021, the State of Michigan began moving the residents from Graceway to alternative facilities.
- 6. The GFS claim includes a significant delivery purportedly made on May 26, 2021.
- 7. The Debtors do not believe any deliveries were made on May 26, 2021 while residents were being moved out.
- 8. By May 27, 2021, all residents had been moved from the Graceway facility and the facility ceased all operations.
- 9. During the final nine (9) days of operations, Graceway would have received only one delivery of goods from GFS.
- 10. Moreover, Graceway has no records of receiving any post-petition deliveries from GFS and would not have received any deliveries after May 27, 2021 when there were no employees or agents of Graceway available to accept a delivery.

11. Graceway is continuing to review its records to verify the deliveries, if any, that were received during the final week of operations.

WHEREFORE, the Debtors respectfully requests that this Court deny the Application of Gordon Food Service Inc. for Allowance and Payment of Administrative Priority Claim [Docket No. 108], and grant such other and further relief as is just and appropriate in the circumstances.

Respectfully Submitted,

STROBL SHARP PLLC

Dated: November 17, 2021 By: <u>/s/ Lynn M. Brimer</u>

LYNN M. BRIMER (P43291) PAMELA S. RITTER (P47886)

Attorneys for Debtors

300 East Long Lake Road, Suite 200

Bloomfield Hills, MI 48304-2376

Telephone: (248) 540-2300 Facsimile: (248) 645-2690

E-Mail: lbrimer@strobllaw.com

pritter@strobllaw.com